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AUTHOR McGhee, James D.  
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## ABSTRACT

The extremely conservative political climate and the record-breaking recession have effectively destroyed the hopes and dreams of poor black families, and they seriously threaten the existence of an emerging, still fragile, black middle class. Prior to 1960, no more than 10-12 percent of black families could be counted as members of the middle class, but by 1980, fully 30 percent had achieved middle-class status. Although black families made very sizable income gains, the income gap between black and white families remains large, and low-income black families still comprise 70 percent of the black population. The number of blacks who have graduated from high school or college doubled between 1960 and 1980, resulting in increased earnings. During the same period, whites showed gains in educational attainment equal to or greater than blacks. However, a comparison of black and white income and educational attainment indicates that the income of black college graduates is still slightly lower than that of whites with only one to three years of college. Changes in Federal law have drastically reduced the amount of aid available to low-income students, creating serious barriers to future black progress. Federal reductions-in-force (RIF) have also had a disproportionately negative effect on blacks, who are losing Federal jobs at a rate 50 percent greater than whites. Increasing pressure on the middle class is indicated by the rising rate of home mortgage delinquencies and mortgage foreclosures during the 1980s. A list of 21 references and 11 tables of statistical data are appended. (FMW)

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# a dream denied: the black family in the eighties

James D. McGhee

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# **a dream denied: the black family in the eighties**

**James D. McGhee  
Director of Research**

**NATIONAL URBAN LEAGUE  
Research Department  
425 13th Street, N.W.  
Suite 515  
Washington, D.C. 20005**

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## SUMMARY OF MAJOR FINDINGS

- A major issue that must be dealt with today is the denial of the American dream to the 70 percent of the black population that has never achieved middle-income status. The message that is now being sent to the poor and especially to the working poor is that the traditional avenues of access to the middle class are no longer open to them.
- Prior to 1960, no more than 10-12 percent of black families could be counted as members of the middle class, and those who could were limited to a very narrow range of occupations including entertainers, teachers, ministers, a few doctors and lawyers, and of course railroad workers (porters) and Post Office employees.
- The number of black families of at least middle-income status (\$20,000) or more in 1980 dollars increased considerably during the last two decades. In 1960, only 12 percent of all black families could be characterized as middle income or above, whereas in 1980 fully 30 percent had incomes at that level or higher.
- Almost all of this progress took place between 1960 and 1970, a decade that accounted for 15 of the 18 percentage points gained during the 20 years between 1960 and 1980. In contrast, the decade of the seventies increased the proportion of middle-class blacks by only an additional three percentage points.
- Blacks were not the only ones who gained during the sixties. Although 31 percent of white families had at least middle-income status in 1960, by 1970 this proportion had jumped to 51 percent representing a gain of 20 percentage points in 10 years. The proportion of white families earning at least \$20,000 increased to 56 percent by 1980. So, although blacks have made very sizeable gains in the last 20 years, the common perception that blacks as a group have gained on whites is entirely false.
- During the decade of the sixties, some real progress was made in closing the income gap between black and white families, only to have the gap opened again in the seventies. The ratio of black to white median family income was .55 in 1960 indicating that black families earned about 55 percent of what white families earned. By 1970 this ratio had increased to 61 percent, reaching a peak of 62 percent in 1970 before declining to 58 percent in 1980.
- Those families with middle incomes still constitute only 30 percent of all black families in 1980, while those with low incomes constitute 70 percent. Thus, the serious dilemma that black families face is that many of them have not had enough good years to build a cushion against the bad years that are now upon them. In many cases, even

a short interruption of family income due to layoffs, furloughs or the loss of a job can result in disaster for a family already living close to the edge.

- In 1960, only 20 percent of all blacks 25 years old and over had graduated from high school, and the dropout rate was an estimated 25 percent for younger black persons. By 1970, however, the rate of black high school graduates had reached nearly 35 percent and in 1980, fully one-half of all blacks 25 years old and over had graduated from high school. The figures for black college graduates follow a similar pattern over the last 20 years, more than doubling from 3.1 percent to 7.9 percent between 1960 and 1980.
- The median family income in 1980 for a black householder with one to three years of high school was \$10,457 compared to \$14,465 if the householder had completed high school. This amounts to a bonus of \$4,000 per year in family income just for a high school diploma. The bonus for a college degree is even larger. The median income for a black householder with four years of college was \$23,282 in 1980, an increase of 62 percent over that of the high school graduate.
- In the last 20 years whites have shown gains in educational attainment equal to or greater than those that blacks have experienced. Moreover, changes in the eligibility requirements for Social Security educational benefits in 1980 rendered many potential college students from low-income families ineligible for those benefits and will continue to reduce benefits by 25 percent per year for all other students receiving benefits. These budget and eligibility requirement changes will cut federal aid to colleges in half and greatly reduce the low-income black student's access to higher education.
- But the lack of education and training are not the only barriers to black progress as some would claim. A comparison of black and white income and educational attainment illustrates the marked difference between the financial payoffs for education afforded to these two groups. The median income for a black householder with a college degree (\$23,282) is about the same as that for a white householder with only one to three years of college (\$23,357).
- Between 1975 and 1979, the proportion of blacks in active duty in the armed forces doubled from 9.5 to 19 percent. By 1980, this rapid growth in the numbers and proportion of blacks in the military had begun to slow with blacks accounting for 19.2 percent of all the armed forces personnel.
- The available data on the impact on minorities of reductions-in-force (RIFs) by the federal government indicate that minorities (primarily

blacks) are losing federal jobs at a rate 50 percent greater than non-minorities. Thus, in 1981 for every two non-minorities that lost jobs through RIFs, three minorities lost jobs. Minorities in administrative positions lost jobs at a rate greater than twice that of non-minorities.

- Two additional indicators of the economic stress being experienced by the middle class are the rates of home mortgage delinquencies and mortgage foreclosures. The national delinquency rate in the first quarter of 1982 was 5.35 percent whereas, prior to 1981, it had been a relatively steady 4.5 percent since 1974. The mortgage foreclosure rate has shown a similar rise since 1980, reaching .22 percent in the first quarter of 1982 after hovering at approximately .15 percent since 1976.

## FOREWORD

It has become increasingly clear that the family is of central importance to black Americans and that economic viability as well as social well-being reside in and are dependent on the mutual support and emotional nourishment that the family provides. But the black family in the eighties has come under increasing attack from both economic and ideological forces of change, and these forces threaten to do serious harm to the institutions and individuals that comprise it.

Prior to the civil rights movement of the sixties, relatively few blacks believed that the American Dream applied to them. Despite their efforts, only a few managed to achieve even middle-income status. However, with the advent of the civil rights movement of the sixties and the commitment of government to equal opportunity, that notion of impossibility began to diminish. Many of the "social engineering" programs of the sixties that have in recent years been so maligned and castigated as failures have in fact worked, but only for some. They have managed to bring a sizeable segment of the black population and an even larger number of women into the mainstream of American society. This accomplishment has gone largely unnoticed and unheralded but is extraordinary in its implications. The "Great Society" programs virtually created today's black middle class\* by providing opportunities for education and employment that had not existed before — opportunities that poor blacks and whites eagerly took advantage of.

It is a tragedy that the programs that accomplished so much are now being eliminated one after the other for seemingly ideological rather than budgetary reasons and that America is defaulting on its commitment to assure equal opportunity for all its citizens. But an even greater tragedy is the effect these actions have on the futures of low- and middle-income black Americans. The extremely conservative political climate and the record-breaking recession that this country is now enduring effectively combine to blunt the hopes and dash the dreams of millions of the poor, and they seriously threaten the existence of an emerging, still fragile, black middle class as well.

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\* For the purpose of this discussion, the only determinant of class will be family income or individual income. Thus, the term "middle class" is synonymous with middle income.

## THE AMERICAN DREAM

Among the basic assumptions upon which our society was founded are the notions that if you work hard, get an education, stay out of trouble, save your money and have just a little luck, then you can "make it" in America. "Making it" for most people is defined as achieving at least middle-income status; that is, owning a home and car, having a steady job or a decent business and a family with which to share the benefits of one's labors. It is these beliefs and this dream that sustained the European immigrants who often came to these shores with little more than the clothes on their backs but whose successful lives have been living tribute to its truth. It is this same dream that still draws a steady stream of new immigrants and refugees to these shores and that sustains most of white America today.

For the overwhelming majority of black Americans, however, the American Dream was never a reality until a few short decades ago. Until then, hard physical labor was the only kind of work that most black Americans knew; they also knew that no matter how hard they worked, they could only go so far and no further. They knew that getting an education was not enough, or obeying the law or even luck — for they also knew that whatever personal qualities they possessed, whatever their character, ethics or abilities, being born black was a handicap that was virtually insurmountable. There were a few, a pitiful few, who happened to combine the necessary personal characteristics of high intelligence, unflagging drive and incredible luck, which allowed them to succeed in the best tradition of the American Dream. But their exceptional success, rather than proving the rule, merely served to demonstrate its lack of common application.

Then came the second World War, some black Americans got to see the world by way of military service while others got to taste the rewards of steady work and high pay in an American industry desperate for whatever labor it could get. The end of the war signaled a return to the status quo, but not before a significant portion of black Americans had been exposed to the idea that there were alternatives to poverty and second-class citizenship. This experience and that of the Korean War more than anything else planted the seeds that germinated in the fifties and bloomed into the civil rights movement of the sixties. For the first time, these experiences had exposed large numbers of black Americans to the possibilities of the American Dream, and they began to accept it

as their own. It was the acceptance of the American Dream by large numbers of blacks that resulted in the civil rights movement and the virtual unanimity of opinion in the black community that they, too, were Americans and that the promise of freedom and justice for all could also apply to them.

The personal acceptance of the American Dream by some black Americans resulted in greater efforts on their part in preparing their children to take full advantage of whatever opportunities might be open to them. These were the black parents who instilled the dream in their children that they could accomplish more in life than they had themselves. These were the parents who worked long hours, often holding two jobs, so that their children could finish high school and go to college. These were also the black parents who often neglected their own health and whose resources were often not equal to the task of providing both for their children's education and their own comfort and retirement, yet had little difficulty in making the choice.

Therefore, when the social programs of the great society appeared in the sixties, they found large numbers of young blacks who were ready and able to benefit from them. They were already standing at the threshold needing only a chance to participate fully and equally in the marketplace.

### **Emergence of the Black Middle Class**

Prior to 1960, no more than 10-12 percent of black families<sup>1</sup> could be counted as members of the middle class, and they were limited to a very narrow range of occupations: entertainers, teachers, ministers, a few doctors and lawyers, and of course railroad workers (porters) and Post Office employees.<sup>2</sup> (There is a bittersweet joke in the black community that the post offices and railroads had the most highly educated employees in the nation; these were among the few places where blacks, even those with college and advanced degrees, could work and earn a reasonable salary.) Beginning in the sixties, however, the programs of "The Great Society" came into being and blacks began to expand their avenues of access to middle-class status through education and governmental efforts to assure equal employment opportunity for all Americans. In 1960, only 20 percent of all blacks 25 years old and over had graduated from high school; only 3 percent had graduated from college, and the median number of years in school was eight for blacks aged 25 years old and older.<sup>3</sup> Table 1 shows that high school and college completion rates for whites were more than twice those for blacks in 1960 with 43 percent of whites aged 25 years old and over being high school graduates and 8 percent having four or more years of college. By 1970, however, the rate of black high school graduates had reached nearly 35

percent and in 1980, fully one-half of all blacks 25 years old and over had graduated from high school. And the drop-out rate while still high at 16 percent had shown a steady decline for 15 years. The figures for black college graduates follow a similar pattern over the last 20 years, more than doubling from 3.1 percent to 7.9 percent between 1960 and 1980. Clearly the young black people that these figures describe were preparing themselves to compete in the job market and in the business world and to capture some of the American Dream for themselves.

These facts, however encouraging, should not be construed as claim that there has been any significant closing of the educational gap between blacks and whites. In the last 20 years, whites have shown gains in educational attainment equal to or greater than those that blacks have experienced.<sup>3</sup> But regardless of such gains, the figures are highly significant for blacks because they indicate a definite response to the increased opportunities secured by the civil rights movement of the sixties.

Nevertheless, because of the poor economic position of blacks relative to whites, these figures mask a million stories of toil and sacrifice that black parents endured to gain the modest successes recorded in these statistics. They hide the wages foregone so that a student could finish high school rather than drop out to work, and they hide the second job that a father or mother took in order to pay college tuition that, although modest by today's standards, constituted a significant proportion of the family's income. They also do not describe the change in attitude by parents and young adults who had to accept, on faith, that all this effort and sacrifice would bear fruit in the form of better jobs and increased earnings at some point in the future despite the fact that this had often not been true in the past.

And, indeed, the efforts and sacrifices of black parents have paid off, for along with increasing educational attainment and opportunity for blacks has come increasing income. The median family income in 1980 for a black householder with one to three years of high school was \$10,457 compared to \$14,465 if the householder had completed high school. This amount to a bonus of \$4,000 per year in family income just for a high school diploma. The reward for a college degree is even larger. The median income for a black householder with four years of college was \$23,282 in 1980, an increase of 62 percent over that of the high school graduate.<sup>4</sup>

But the lack of education and training are not the only barriers to black progress as some would claim. A comparison of black and white income and educational attainment (Table 2) illustrates the marked difference between the financial payoffs of education afforded to these two groups. The median income for a black householder with a college degree (\$23,282) is about the same as that for a white householder with

only one to three years of college (\$23,357); so while increased education does lead to increased income for both groups, the racial discrimination that black Americans continue to face still prevents them from fully benefitting from their educational attainment.

Today's problem is not that the social programs of the "Great Society" did not work, because many of them did. The problem is that most of them worked best for those who were best prepared — for those who were educated and motivated and who just needed a chance, that is, those who believed in the American Dream. For those who did not believe and who were not prepared, the task of helping them into the mainstream of American life was infinitely more difficult and expensive. This problem is the major one we face today — the unwillingness of those in power to complete the task started in the sixties and to pay the cost of the greater effort necessary to help those who are least prepared to be helped. So, instead of government living up to its commitments to help the disadvantaged and to fight racial discrimination, we have a government attempting to foist that responsibility on to the states, most of which have made it painfully clear that they have no real commitment to aiding the poor or the elderly.

The basic issue that must be dealt with today is the denial of the American Dream to the 70 percent of the black population that are not at least middle income.<sup>5</sup> The message that is now being sent to the poor and especially to the working poor is that the traditional avenues of access to the middle class are no longer open to them.

The massive shifts in federal spending from social programs to national defense, the corporate and personal income tax cuts designed to redistribute dollars from the poor to the rich and the so-called "New Federalism" proposals to shift the administration of and the payment for many social programs to the states, taken together, constitute what amounts to nothing less than an assault on this country's poor. The litany of changes in the laws and regulations and the long series of budget cuts has fallen like a rain of blows on the head of the weakest members of our society:

- Aid to Families with Dependent Children (AFDC) has been cut by over 30 percent,
- eligibility requirements for AFDC have been tightened to exclude the working poor,
- job training programs have been greatly reduced and key provisions deleted,
- funds for child day-care have been eliminated,
- housing subsidies have been lowered and construction of public housing virtually ended,

- funds for food stamps have been cut drastically and eligibility requirements severely tightened,
- the availability of student loans has been significantly reduced, and
- the budget for school lunches has been cut nearly 50 percent.<sup>5</sup>

These represent only a few of the devastating actions taken in the last few years; and to make matters worse, even deeper cuts in already beleaguered social programs designed to aid the poor are being proposed for the future. These actions signify much more than minor dislocations or discomforts for the poor. They mean that in the immediate future people will go hungry, be cold, and lack adequate shelter. In the long run, they will relegate a large number of potential workers to the hopelessness and despair of a lifetime of unemployment and poverty.

## Education

While black Americans have made remarkable progress in the last 20 years, those families with middle incomes still constituted only one-third of all black families in 1980, while those with low or very low incomes constituted 70 percent of all black families.<sup>7</sup> Clearly then, if further progress is to be made, it should involve that large group that has not yet achieved middle-income status — the same group from which the majority of the present black middle class arose. The lower class origins of the black middle class have been clearly demonstrated in a 1975 study by Sar Levitan in which he states:

Although the greatest attention has been focused on blacks moving into professional, technical, and managerial jobs, the more extensive gains during the 1960's came at the lower end of the labor market as blacks moved out of unskilled labor and farm work and into semi-skilled operative and clerical jobs. If the black occupational distribution has not changed since 1950, there would have been 400,000 fewer working in professional, technical and managerial jobs in 1972, but 1.5 million more performing unskilled labor, farm and service work. Upgrading at the bottom affected almost four times as many blacks as the entrance into upper-eschelon job classifications.<sup>8</sup>

The low-income family origins of middle-class blacks is further revealed when family backgrounds of black college students are examined. The great majority (76%) of black college students in 1980 came from families whose parents had never attended college, and this proportion has remained virtually unchanged since 1970 when it was 75 percent (Table 3). To the extent that college attendance is related to income, and the available data (Table 4) indicate that for blacks there is a close

relationship, then these students also come from low-income families.<sup>9</sup>

Clearly then, education has been and still is a primary avenue for black families seeking access to the middle class. Unfortunately, this traditional route is being closed because of budget cuts in the 1982 Student Aid program and by additional cuts proposed for 1983. Moreover, changes in the eligibility requirements for Social Security Educational Benefits in 1981 rendered many potential college students from low-income families ineligible for those benefits and will continue to reduce benefits by 25 percent per year for all other students receiving them.<sup>10</sup> These budget and eligibility requirement changes will cut federal aid to colleges in half and greatly reduce low-income black students' access to higher education and, therefore, dash their hopes for professional careers.

Escape from poverty is the real issue that faces blacks and other poor Americans today — whether the American Dream really applies to blacks or whether it will again be denied to them. The message that is now being sent implies the latter and leaves little hope that the poor, albeit through hard work and with a little help, can make their lives better.

### **Employment**

The most obvious and immediate avenue of access to family economic stability and to the achievement of middle-class status is through steady full-time employment. Even if wages are low, if employment is steady and full-time, then savings can be accumulated and plans made based on the relative certainty of the family's income. But it is that very certainty of income that is so often lacking in black families. In 1980, the unemployment rate for all blacks was 14 percent, and 6.5 percent of those employed were working part-time for economic reasons — meaning that they worked part-time because full-time work was not available. By May 1982 the unemployment rate for blacks was 17 percent, and 7.3 percent were working part-time for economic reasons. If we combine these figures, we get a total of 24 percent either unemployed or working part-time for economic reasons — nearly one-fourth of all blacks in the labor force.<sup>11</sup>

Similarly, blacks tend to be subject to intermittent employment to a greater degree than are whites. In 1979, only 49 percent of black householders worked for at least 50 weeks of the year, and only 45 percent worked full-time. On the other hand, 63 percent of white householders worked at least 50 weeks, and 60 percent worked full-time.<sup>12</sup>

These high levels of unemployment, part-time employment and the

intermittent nature of the employment of one half of those black householders who do have jobs make it very difficult for those experiencing these conditions to plan expenditures or save money beyond that needed for immediate needs.

There is no doubt that part of the reason for the employment problems that black people face is the lack of training and job experience. As a result, a whole series of federal programs has been designed to help in these areas. Programs such as CETA, public service employment, job corps and others were financed by the federal government and administered at either the federal or state level, depending on the program. But many of these programs are being dismantled or their budgets reduced to literally nothing. In addition, new regulations would prevent the use of federal funds to pay training stipends or for work experience programs that were key elements in the program as originally designed. Training stipends, for example, pay trainees a small amount while they are in training. Without such payments, many of those whom the programs are designed to help could not afford to attend. The combination of record high unemployment rates in the black community and severe cutbacks in federal funding of job training and work experience programs serves to deny low-income blacks another way out of poverty and into the middle class.

### **Military Service**

Another traditional route to the middle class for blacks has been through the armed forces, which provide training as well as employment for a significant percentage of those blacks who are employed. Between 1965 and 1979, the proportion of blacks on active duty in the armed forces doubled from 9.5 percent to 19 percent;<sup>13</sup> however, the current recession that began in 1980 threatens to shut off even this avenue of escape for black youth. By 1980 the rapid growth in the numbers and proportion of blacks in the military had begun to slow with blacks comprising 19.2 percent of all the armed forces military personnel, with all signs pointing to a continuing decline in the next few years <sup>14</sup>

One of the major reasons for this decline is the economy. With white teenage unemployment at 21 percent for males and 17.5 percent for females in June 1982, according to Bureau of Labor Statistics (BLS) calculations, and an unemployment rate of 8.4 percent for white adults, the armed services begin to present a very attractive alternative to continued unemployment. Prior to 1980, the military recruiters were having difficulty filling their recruitment goals for the all-volunteer force, and it was especially hard to attract non-minorities. In recent years, however, since the current recession began, they have had little difficulty in recruiting qualified persons for military service. So large numbers of whites,

who are often better educated than blacks, are now competing with black youths for acceptance by the armed forces — a profession that was scorned by white youth when more attractive alternatives were available to them. This increased availability of white youths for military service and the concerns voiced by our own generals and some of our European allies about having a military that has too many blacks will make it much more difficult for blacks to enter the armed services.

In summary, then, governmental policy and an economy in near-depression has resulted in a large and growing group for whom the American Dream is a sham and a lie. These are the "structurally" unemployed, who are relatively unskilled, untrained and in danger of slipping permanently into the underclass. In addition to their impact on the poor, these actions in combination with a national economy that is stagnant, soaring unemployment rates and record numbers of business failures that characterize the current recession are also having devastating effects on a group to which most Americans aspire but that has heretofore been ignored by most observers — the black middle class.

### **'Middle Class' as Determined by Income**

Because of the lack of clarity in the classic sociological concept of social class as applied to American society and because of the lack of adequate data on all resources available to families, for the purpose of this discussion class will be defined in economic terms, and the only determinant of class will be family or individual income. Thus the term "middle class" is, for our purposes, synonymous with middle income. This is an entirely appropriate operationalization of the concept of social class since lifestyles and living standards especially of blacks are no longer determined solely by the kind of work they do. Many tradesmen, for example, earn more money and have a higher standard of living than white-collar workers, and the starting salary for a college professor with a Ph.D. is often less than that of a bus driver, so, when we use the term middle class in the following discussion, income will be the only standard we have in mind.

The U.S. Bureau of Labor Statistics has developed a classification of American family living standards using estimates of three hypothetical annual family budgets.<sup>15</sup> Based upon spending patterns for goods and services and periodically updated using the Consumer Price Index (CPI), average annual figures for lower intermediate and higher level budgets are published annually (Table 5). The "lower" budget level (\$15,323 in 1981) indeed represents a very low standard of living but is still considerably higher than the median income for black families (\$12,674 in 1980). The estimated food costs for these families are based largely on the Department of Agriculture's emergency food plan for

poor families, which the Department concedes does not provide nutritionally adequate diets for three-fourths of the families at the "lower" budget level.

The intermediate budget level was set at \$25,407 for a family of four in 1981 and because the median income for all U.S. families in 1980 was \$21,904 (Table 6), this budget can be taken as approximating the standard of living for the "average" American family of four.<sup>16</sup>

However, since the median represents the midpoint of a distribution above and below which 50 percent of the people fall, then a family can have an income that is above or below the median income and still be considered middle income. The difficulty arises in trying to set the exact limits that define middle income from upper and lower income levels. Using the BLS intermediate family budget (\$25,407) and the median income for all families (\$21,904) as guidelines, we have defined the range of \$20,000 to \$35,000 for a family of four as "middle income," recognizing that this is not a hard and fast rule but only a working definition. Using this definition of middle income or middle class, 22 percent or more than 1 1/3 million black families in 1980 may be characterized as middle income, compared to 35 percent or nearly 18 1/2 million white families.<sup>17</sup>

Thus, while 70 percent of all black families have low or very low incomes, a substantial fraction of them are of middle income levels, and these families are also being severely affected by the restructuring of the federal role in our society and by the deep recession that still grips the country. As Table 7 indicates, the percentage of black families of at least middle-income status (\$20,000 or more in 1980 dollars) increased considerably during the last two decades. In 1960 only 12 percent of all black families could be characterized as middle income or above, whereas in 1980 fully 30 percent had incomes that were that high or higher. This represents a remarkable record of progress in a very short period of time. Almost all of the progress took place between 1960 and 1970, a decade that accounted for 15 of the 18 percentage points gained during the 20 years between 1960 and 1980. These percentages represent real people, and the decade of the sixties ushered over three-fourths of a million black families into the ranks of the middle class. In contrast, the decade of the seventies increased the proportion of middle-class blacks by only an additional three percentage points.<sup>18</sup>

### **The Black/White Earnings Differential**

Blacks were not the only ones who gained much during the sixties. Although 31 percent of white families had at least middle-income status

in 1960, by 1970 this proportion had jumped to 51 percent representing a gain of 20 percentage points. The proportion of white families earning at least \$20,000 increased to 56 percent by 1980 (Table 7). So, although blacks have made very sizeable gains in the last 20 years, the common perception that blacks as a group have gained on whites is entirely false. In fact, as is usually the case, whites have benefitted most from the economic boom and the coal programs of the sixties and have continued to gain even more in the recession-ridden decade of the seventies while black gains have peaked and in some cases have even lost ground to whites.

During the decade of the sixties some real progress was made in closing the income gap between black and white families, only to have it widen again in the seventies. The ratio of black to white median family income was .55 in 1960 indicating that black families earned about 55 percent of what white families earned. By 1970, this ratio had increased to 61 percent, and it reached a peak of 62 percent in 1975 before declining again to 58 percent in 1980. This 15-year period of progress for blacks incorporates the generally prosperous period of the sixties when the American economy was healthy, business was booming and jobs were plentiful. The subsequent decline in median family income reflects the general economic decline that began with back-to-back recessions in the early seventies and from which many families had still not recovered before the onset of the current recession.

The serious dilemma that black families face is that many of them have not had enough good years to build a cushion against the bad years that are now upon them. In many cases, even a short interruption of family income due to lay-offs, furloughs or the loss of a job can result in disaster for a family already living close to the edge.

This is one of the significant differences between the black middle class and the white middle class and it is indicative of the dangers involved in assuming that the two groups are equal. The emergency of the black middle class in any significant numbers is a recent phenomenon and the group is not, for the most part, fully established economically. Because their parents usually did not have middle-class jobs and salaries, they cannot provide the same level of economic support that white parents can. Black college students, for example, incur more debt because of their need to borrow more to finance their educations. Interest-free loans and the outright gifts of cash or goods or services that white parents can afford to give their children are rarely available to young black families. Finally, the accumulated wealth that can be inherited from parents is much less for blacks than for white families. None of these resources available from parents are counted in the income of the family but they add up to very significant differences between families with ostensibly similar incomes.

## Effects of Governmental Reductions-In-Force

A major problem many blacks now face is the disastrous combination of a recession of record proportions and an extremely conservative political climate which threatens to destroy much of the progress that has been made since 1980.

In 1980 the federal government alone employed 414,345 full-time black workers. This number comprised 17 percent of the entire civilian full-time work force for the federal government and about 5 percent of all blacks employed in the United States. Thus, 1 out of every 20 blacks employed in 1980 worked for the federal government.<sup>19</sup>

The role of the federal government is now being significantly diminished, and while most of the resulting staff reductions focus on social programs many other functions are also being affected by budget cuts. These cutbacks in services mean the loss of many jobs held by blacks especially because government has long been a major employer of blacks and other minorities. These groups were attracted to government service among other reasons because of its equal opportunity policies and because it seemed to offer more job security. But the furloughs, reductions-in-force (RIFs) and firings that are now taking place are seriously affecting blacks not only because so many are employed by government but also because blacks are being affected disproportionately to their actual numbers.

The available data on the impact on minorities of RIFs by the federal government indicate that minorities (primarily blacks) are losing federal jobs at a rate 50 percent greater than non-minorities.<sup>20</sup> This means that in 1981 for every two non-minorities that lost their jobs through RIFs, three minorities lost jobs. These figures are even worse when administrative positions are examined separately. Minorities in administrative positions lost their jobs at a rate greater than twice that of non-minorities in administrative positions.

It seems that in the federal government as in private industry, the doctrine of "last hired first fired" is in full operation. Unfortunately, the great majority of blacks who work for the federal government were hired during the last 15 years, and it has only been in the last 10 years that blacks and other minorities began to reach administrative and supervisory positions in significant numbers. This means that there are fewer minorities with enough years of experience and seniority to hold onto their jobs against the massive budget cuts that most agencies have experienced in the last two years. The inevitable result is the loss of a disproportionate number of jobs held by blacks and other minorities, even when the ever-present effects of racial discrimination are ignored.

The importance of these findings should not be underestimated be-

cause their implications extend far beyond the Washington, D.C., area and beyond the federal government's budget-cutting practices. There is a mistaken belief held by the general public that most federal employees are located in Washington, D.C., so that cuts in the budgets of federal agencies affect only the bureaucracy in Washington. In fact, the great majority (approximately 90 percent) of federal employees are located outside of the Washington, D.C., area and while those in Washington are bearing the brunt of the RIFs, the budget reductions are having a significant impact on minority employment by the federal government nationwide.<sup>20</sup>

Some state and local governments as well as the federal government have provided employment for disproportionate numbers of blacks — a trend that began over 10 years ago. The reductions in federal funds have made drastic cutbacks necessary which, assuming that the federal pattern is followed at the state and local levels, means that blacks and other minorities are being and will be disproportionately affected there also. And, given the much larger numbers involved in state, county and city governments than in the federal government these layoffs could potentially affect hundreds of thousands of blacks — all aspiring or full-fledged members of the middle class.

The second, and most important, point to be made here is that the federal budget cuts that are resulting in the widespread RIFs are occurring simultaneously with the most serious recession this country has experienced for many years. Mass layoffs and firings are commonplace news along with the failures of record numbers of small businesses and even some large ones. The practice of "last hired first fired" is even more prevalent in the private sector than in government, and although data on layoffs by sex and race are not available from labor unions, it is a safe assumption that the proportion of minorities losing their jobs is even higher in the private sector than in the public sector. Thus, the fact that small businesses are failing and declaring bankruptcy in record numbers and the fact that small businesses provide over 70 percent of all the private sector job to be had in this country suggest that blacks and other minorities are in more serious trouble than anyone cares to admit.

### **Home Mortgage Delinquency and Foreclosure**

Just as the good times benefit whites to a greater extent than they do blacks, conversely, bad times seem to hurt blacks more than they do whites; this is true for the middle-income groups as well as for the poor. There are several indicators both direct and indirect that illustrate the plight of the middle class and of the black middle class, especially.

Two indicators of the economic stress being experienced by the mid-

dle class are the rates of home mortgage delinquencies and mortgage foreclosures. According to the Mortgage Bankers Association,<sup>21</sup> the national delinquency rate in the first quarter of 1982 was 5.35 percent, whereas, prior to 1981, it had been relatively steady since 1974 (at a rate of approximately 4.5 percent). The mortgage foreclosure rate has shown a similar rise since 1980, reaching .22 percent in the first quarter of 1982 after hovering at approximately .15 percent in 1976. The Mortgage Bankers Association considers a mortgage payment delinquent after 30 days have elapsed since the due date. There is considerable state-to-state variation in these figures with many states having lower figures and many, especially the North Central and North Eastern regions, which have much higher unemployment rates, showing even higher levels of delinquency and foreclosure. In Ohio, for example, in 1981 more than one in every 100 persons with home loans were involved in foreclosure proceedings, and there are similar rates throughout the other northern industrial states.

There is indirect evidence that black homeowners have historically been disproportionately affected by home mortgage delinquencies and foreclosures and that this trend is continuing at a great pace today. An examination of Table 8 will show that since 1979, the mortgage delinquency and foreclosure rates for the District of Columbia, where the population is 75 percent black, has been consistently higher than the national rates. For both indicators the national rates have been approaching the rates for the District of Columbia more closely until, in the first quarter of 1982, the rate of foreclosures was equal. Although not reaching parity, the mortgage delinquency rate was 6.95 percent for the District and 5.35 percent for the nation as a whole. Given delinquency and foreclosure rates that were lower than the national average in Maryland (3.42 percent and .10 percent) and Virginia (3.58 percent and .07 percent), which surround the District but which have much smaller black populations, it would seem that the large black population in the district accounts for at least part of the difference and that the fledgeling black middle class has been and continues to be seriously threatened with economic disaster.

In addition to the above startling figures, while the rate of new foreclosures in the District of Columbia for the first quarter of 1982 was .22 or about 1 out of every 500, the rate of loans actually in foreclosure (the foreclosure inventory) was .89 percent, or about 1 out of every 110 home loans. Nationally, the foreclosure inventory was .53 percent or about 1 out of every 200 home loans. These data clearly indicate that homeowners in the District of Columbia are being severely affected by the current recession, and a disproportionate number of home owners are black.

A significant reduction in income due to layoffs or firings represents a

serious setback for any family, but during previous recessions, a family that owned a home could at least stave off disaster by selling its home and using the resulting cash to satisfy creditors or pay living expenses for a period. In today's housing market, however, even this source of economic relief is not available to many middle-class families, experiencing severe financial difficulties. Many families cannot sell their homes because there are no buyers. Because of the depth and duration of the current recession, the housing market is virtually dormant. The only alternative is often financial bankruptcy for the family and foreclosure on the home mortgage by the lender.

The loss of a home through foreclosure represents an especially disastrous setback for any family especially when there is little cash to be had by the owner even if the house is sold. Much of the cash generated by the sale goes to pay the original mortgage, interest costs, lawyers' fees and court costs. Thus, the family is left without a home, with little to show for the years of mortgage payments and other expenses of home ownership. Such a loss is particularly devastating for the marginally middle-class family because all family resources are usually expended in the effort to keep the home. Therefore, it's loss is often the final blow in a series of reverses that may begin with the loss of a job, a long illness, or an unexpected expense. Usually, all other resources are exhausted by the time mortgage foreclosure occurs because for many families homeownership means much more than just shelter. It is the most obvious indicator of middle-class status and as such often embodies the hopes and dreams of that family. It is only relinquished when there is no other choice and its loss represents a psychological as well as a financial blow to the family.

There are subtle but very real reasons why the impending destruction of the present black middle class and the denial of the means and opportunity for low and very low-income blacks to improve their lot represents more than just financial disaster for a relatively small group of people. While many low-income blacks often derogate membership in the middle class, what they object to are attitudes that are perceived as foreign to them, not the lifestyle that a middle class income brings. That lifestyle is almost universally desired and its availability to some blacks gives hope to others who have not yet achieved it. The events and circumstances that have been described in these pages threaten to undermine even the hope of the majority of black families to ever achieve the kind of financial security and family stability that a decent, steady income brings.

## Notes

1. Throughout this discussion "family" is defined according to the U.S. Census Bureau definition: "A family consists of a householder and one or more persons living in the same household who are related to the householder by birth, marriage, or adoption."  
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4. *Current Population Reports*, *op.cit.*
5. *Employment and Earnings*, January 1981, 1982, U.S. Department of Labor, Bureau of Labor Statistics.
6. *Budget of the United States Government, Fiscal Year 1983*, Executive Office of the President, Office of Management and Budget.
7. *Current Population Reports*, *op.cit.*
8. Sar A. Levitan, William B. Johnston and Robert Taggart, *Still A Dream: The Changing Status of Blacks Since 1960*, Harvard University Press, Cambridge, MA, 1975.
9. *Current Population Reports*, *op.cit.*
10. *Current Population Reports*, *op.cit.*
11. *Employment and Earnings*, January May 1982, U.S. Department of Labor, Bureau of Labor Statistics.
12. *Current Population Reports*, *op.cit.*
13. *Current Population Reports*, *op.cit.*
14. *Defense Manpower Data Center*, U.S. Department of Defense, September 1980.
15. Urban Family Budgets and Comparative Indexes for Selected Urban Areas, Autumn 1981, *News*, Bureau of Labor Statistics, U.S. Department of Labor, April 16, 1982.
16. *Current Population Reports*, *op.cit.*

17. *Current Population Reports, op.cit.*
18. *Current Population Reports, op.cit.*
19. *Federal Civilian Work Force Statistics, EEO Statistics*, U.S. Office of Personnel Management, November 1980.
20. *Federal Government Service Task Force RIF Report: Analysis of Impact on Women and Minorities*, Federal Government Service Task Force, December 30, 1981.
21. *National Delinquency Survey*, Mortgage Bankers Association of America, May 1982.

**Table 1**  
**Educational Attainment by Race**  
**(1960 - 1980)**

|                                    | 1960 |      | 1970 |      | 1975 |      | 1980 |      |
|------------------------------------|------|------|------|------|------|------|------|------|
|                                    | B    | W    | B    | W    | B    | W    | B    | W    |
| <b>Persons (25 yrs. and older)</b> |      |      |      |      |      |      |      |      |
| Elementary                         |      |      |      |      |      |      |      |      |
| 4 years                            | 23.8 | 6.7  | 15.1 | 4.2  | 12.3 | 3.3  | 9.2  | 2.6  |
| 5-7 years                          | 24.2 | 12.8 | 16.7 | 8.3  | 14.3 | 6.6  | 11.0 | 5.3  |
| 8 years                            | 12.9 | 18.1 | 11.2 | 13.6 | 8.5  | 10.6 | 7.2  | 8.4  |
| High school                        |      |      |      |      |      |      |      |      |
| 1-3 years                          | 19.0 | 19.3 | 23.3 | 16.5 | 22.3 | 15.0 | 21.2 | 13.2 |
| 4 years                            | 12.9 | 25.8 | 23.4 | 35.2 | 27.1 | 37.3 | 30.9 | 37.7 |
| College                            |      |      |      |      |      |      |      |      |
| 1-3 years                          | 4.1  | 9.3  | 6.9  | 10.7 | 9.0  | 12.8 | 12.5 | 15.1 |
| 4 years or more                    | 3.1  | 8.1  | 4.5  | 11.6 | 6.4  | 14.5 | 7.9  | 17.8 |
| Median school                      |      |      |      |      |      |      |      |      |
| Years completed                    | 8.0  | 10.9 | 9.9  | 12.2 | 10.9 | 12.4 | 12.0 | 12.5 |

Source: *Statistical Abstracts of the United States*, 1981, U.S. Department of Commerce, Bureau of the Census.

Table 2

**Percent Distribution of Families by Income Level and  
Education Attainment by Race, 1980**

| <b>Educational<br/>Attainment</b> | <b>Under<br/>\$5,000</b> | <b>\$5,000-<br/>9,999</b> | <b>\$10,000-<br/>14,999</b> | <b>\$15,000-<br/>19,999</b> | <b>\$20,000-<br/>24,999</b> | <b>\$25,000-<br/>29,999</b> | <b>\$30,000-<br/>39,999</b> | <b>\$49,000-<br/>49,999</b> | <b>\$50,000<br/>and over</b> | <b>Median<br/>Income</b> |
|-----------------------------------|--------------------------|---------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|------------------------------|--------------------------|
| Black Householder                 |                          |                           |                             |                             |                             |                             |                             |                             |                              |                          |
| High School                       |                          |                           |                             |                             |                             |                             |                             |                             |                              |                          |
| 1-3 years                         | 20.7                     | 27.3                      | 19.4                        | 12.0                        | 7.6                         | 5.5                         | 5.1                         | 2.4                         | —                            | \$10,457                 |
| 4 years                           | 12.9                     | 21.6                      | 17.1                        | 14.5                        | 12.6                        | 9.2                         | 8.6                         | 2.9                         | 7                            | \$14,465                 |
| College                           |                          |                           |                             |                             |                             |                             |                             |                             |                              |                          |
| 1-3 years                         | 8.7                      | 14.0                      | 19.2                        | 13.8                        | 12.8                        | 13.3                        | 13.7                        | 3.4                         | 1.0                          | \$18,098                 |
| 4 years or more                   | 5.4                      | 9.0                       | 12.8                        | 14.3                        | 11.8                        | 13.0                        | 17.4                        | 7.7                         | 8.7                          | \$23,282                 |
| White Householder                 |                          |                           |                             |                             |                             |                             |                             |                             |                              |                          |
| High School                       |                          |                           |                             |                             |                             |                             |                             |                             |                              |                          |
| 1-3 years                         | 7.4                      | 18.3                      | 19.4                        | 16.8                        | 13.6                        | 10.2                        | 9.5                         | 2.9                         | 1.8                          | \$16,347                 |
| 4 years                           | 3.7                      | 9.5                       | 15.8                        | 16.6                        | 17.3                        | 10.2                        | 9.5                         | 2.9                         | 3.5                          | \$21,205                 |
| College                           |                          |                           |                             |                             |                             |                             |                             |                             |                              |                          |
| 1-3 years                         | 2.9                      | 7.3                       | 12.4                        | 15.2                        | 17.6                        | 15.1                        | 16.6                        | 7.3                         | 5.7                          | \$23,357                 |
| 4 years or more                   | 1.1                      | 2.9                       | 6.8                         | 10.6                        | 14.1                        | 13.6                        | 21.4                        | 12.1                        | 17.3                         | \$30,321                 |

Source: *Statistical Abstracts of the United States*, 1981, U.S. Department of Commerce,  
Bureau of the Census.

**Table 3**  
**Educational Attainment of Parents of College**  
**Students by Race, 1970-1979**

|                                       | <b>Black Students<sup>1</sup></b> |             |
|---------------------------------------|-----------------------------------|-------------|
| <b>Parent's Education<sup>1</sup></b> | <b>1970</b>                       | <b>1979</b> |
| Children in College <sup>2</sup>      | 390                               | 638         |
| Percent                               | 100                               | 100         |
| College-Educated                      | 26                                | 24          |
| College, 4 or more years              | 14                                | 12          |
| College, 1-3 years                    | 12                                | 12          |
| High School Graduate                  | 21                                | 31          |
| Not High School Graduate              | 54                                | 45          |
|                                       | <b>White Students<sup>1</sup></b> |             |
| <b>Parent's Education<sup>1</sup></b> | <b>1970</b>                       | <b>1979</b> |
| Children in College <sup>2</sup>      | 4,411                             | 5,050       |
| Percent                               | 100                               | 100         |
| College-Educated                      | 41                                | 54          |
| College, 4 or more years              | 26                                | 36          |
| College, 1-3 years                    | 15                                | 18          |
| High School Graduate                  | 36                                | 32          |
| Not High School Graduate              | 24                                | 14          |

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<sup>1</sup> Educational attainment of head of family with college student.

<sup>2</sup> Number of college students in thousands.

<sup>3</sup> Family members, 16-34 years old enrolled full-time or part-time in college.

Source: Prepared by NUL Research Department from U.S. Bureau of the Census, *Current Population Reports*, "School Enrollment - Social and Economic Characteristics of Students," Series P-20.

**Table 4**

**Family Income by Median School Years Completed  
by Race, 1979**

| <b>Median<br/>School Years<br/>Completed</b> | <b>Under<br/>\$5,000</b> | <b>\$5,000-<br/>9,999</b> | <b>\$10,000-<br/>\$14,999</b> | <b>\$15,000-<br/>19,999</b> | <b>\$20,000-<br/>24,999</b> | <b>\$25,000-<br/>34,999</b> | <b>\$35,000-<br/>49,000</b> | <b>\$50,000<br/>and over</b> |
|----------------------------------------------|--------------------------|---------------------------|-------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|------------------------------|
| Black<br>Householder                         | 10.1                     | 10.7                      | 11.8                          | 12.2                        | 12.3                        | 12.6                        | 12.8                        | 16.5                         |
| White<br>Householder                         | 10.3                     | 10.9                      | 12.2                          | 12.5                        | 12.7                        | 12.8                        | 13.9                        | 16.3                         |

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Source: *Statistical Abstracts of the United States*, 1981, U.S. Department of Commerce,  
Bureau of the Census.

**Table 5**  
**Bureau of Labor Statistics Average**  
**Family Budgets, 1981**

|                                     |          |
|-------------------------------------|----------|
| Average higher budget (BLS)         | \$38,060 |
|                                     | \$31,733 |
| Average intermediate budget         | \$25,407 |
|                                     | \$20,365 |
| Average lower budget (BLS)          | \$15,323 |
| Poverty limit for family of 4 (BLS) | \$ 8,414 |

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Source: Autumn 1981 Urban Family Budgets and Comparative Indexes for Selected Urban Areas, *News*, Bureau of Labor Statistics, U.S. Department of Labor, April 16, 1982.

**Table 6**  
**Selected Characteristics of Families**  
**by Race, 1980**

|                                       | <b>Black</b> | <b>White</b> |
|---------------------------------------|--------------|--------------|
| All families                          | 6,317        | 52,710       |
| Median income                         | \$12,674     | \$21,904     |
| One earner (%)                        | 36           | 30           |
| Two earners                           | 34           | 42           |
| Married couple families               | 54           | 85           |
| Female households, no husband present | 42           | 12           |

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Source: Money Income and Poverty Status of Families in the United States: 1980 (Advance data from the March 1981 Current Population Survey) *Current Population Reports*, Consumer Income, Series P-60, No. 127, August 1981. U.S. Department of Commerce, Bureau of the Census.

**Table 7**  
**Income Distribution of Families in Constant**  
**Dollars by Race in Percent (1960-1980)**

| <b>Family Income</b> | <b>1960</b> | <b>1970</b> | <b>1975</b> | <b>1979</b> | <b>1980</b> |
|----------------------|-------------|-------------|-------------|-------------|-------------|
| Upper Income         |             |             |             |             |             |
| \$35,000 and above   |             |             |             |             |             |
| Black                | —           | 5           | 4           | 9           | 8           |
| White                | —           | 16          | 16          | 23          | 21          |
| Middle Income        |             |             |             |             |             |
| \$20,000 to \$35,000 |             |             |             |             |             |
| Black                | —           | 22          | 26          | 23          | 22          |
| White                | —           | 35          | 39          | 36          | 35          |
| Low Income           |             |             |             |             |             |
| \$10,000 to \$20,000 |             |             |             |             |             |
| Black                | 33          | 37          | 32          | 30          | 30          |
| White                | 44          | 33          | 29          | 26          | 28          |
| Very Low Income      |             |             |             |             |             |
| \$10,000 and below   |             |             |             |             |             |
| Black                | 55          | 36          | 38          | 38          | 40          |
| White                | 25          | 16          | 16          | 15          | 16          |

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Source: Money Income and Poverty Status of Families and Persons in the United States: 1980. *Current Population Reports*, Consumer Income. Series P-60, No. 127, August 1981.

**Table 8**

**Delinquency Rates of 1-4 Unit  
Residential Mortgage Loans  
(Seasonally Adjusted)**

| <b>Year</b>   | <b>National</b> | <b>District of Columbia</b> | <b>Diff.</b> |
|---------------|-----------------|-----------------------------|--------------|
| 1982 (1st Q.) | 5.35%           | 6.45%                       | 1.10         |
| 1981          | 5.24            | 7.10                        | 1.86         |
| 1980          | 4.97            | 7.69                        | 2.72         |
| 1979          | 4.62            | 6.99                        | 2.37         |

**Foreclosures Started**

|               |     |     |     |
|---------------|-----|-----|-----|
| 1982 (1st Q.) | .22 | .22 | .00 |
| 1981          | .16 | .31 | .16 |
| 1980          | .15 | .27 | .12 |
| 1979          | .14 | .19 | .05 |

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Source: National Delinquency Survey, Mortgage Bankers Association of America, May 1982.

## SUPPLEMENTARY INCOME DATA

**Table A**

**Median Income<sup>1</sup> of Families by Race  
and Type of Family (1970 - 1980)**

|                                 | 1970     | 1975     | 1977     | 1978     | 1979     | 1980     |
|---------------------------------|----------|----------|----------|----------|----------|----------|
| <b>All Families</b>             |          |          |          |          |          |          |
| Black                           | \$ 6,279 | \$ 8,779 | \$ 9,563 | \$10,879 | \$11,609 | \$12,674 |
| White                           | 10,236   | 14,268   | 16,740   | 18,368   | 20,438   | 21,904   |
| B/W Ratio                       | 61       | 62       | 57       | 59       | 57       | 58       |
| <b>Husband-Wife Families</b>    |          |          |          |          |          |          |
| Black                           | \$ 7,816 | \$11,526 | \$13,716 | \$15,913 | \$16,963 | \$18,593 |
| White                           | 10,723   | 15,125   | 17,916   | 19,638   | 21,659   | 23,501   |
| B/W Ratio                       | 73       | 76       | 77       | 81       | 78       | 79       |
| <b>Families Headed by Women</b> |          |          |          |          |          |          |
| Black                           | \$ 3,576 | \$ 4,898 | \$ 5,598 | \$ 5,888 | \$ 6,784 | \$ 7,425 |
| White                           | 5,754    | 7,651    | 8,799    | 9,911    | 11,547   | 11,908   |
| B/W Ratio                       | 62       | 64       | 64       | 59       | 59       | 62       |

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<sup>1</sup> Median income in current dollars.

Source: Money Income and Poverty Status of Families in the United States: 1970-1980, *Current Population Reports*, U.S. Department of Commerce, Bureau of the Census.

**Table B****Median Family Income by Race in  
Current Dollars (1950 - 1980)**

|                             | <b>1950</b> | <b>1960</b> | <b>1970</b> | <b>1975</b> | <b>1979</b> | <b>1980</b> |
|-----------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| All Races                   | \$3,319     | \$5,620     | \$ 5,867    | \$13,719    | 19,661      | \$21,023    |
| Black Families <sup>1</sup> | 1,869       | 3,230       | 6,279       | 8,779       | 11,644      | 12,674      |
| White Families              | 3,445       | 5,835       | 10,236      | 14,268      | 20,502      | 21,904      |
| B/W Ratio                   | 54          | 55          | 61          | 62          | 57          | 58          |

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<sup>1</sup> Prior to 1970 black families were not counted separately but were included in the category of "Blacks and Others."

Source: Money Income and Poverty Status of Families and Persons in the United States: 1980. *Current Population Reports*, Consumer Income, Series P-60, No. 127, August 1981.

**Table C****Median Family Income by Race in  
Constant 1980 Dollars (1950 - 1980)**

|                             | <b>1950</b> | <b>1960</b> | <b>1970</b> | <b>1975</b> | <b>1979</b> | <b>1980</b> |
|-----------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| All Races                   | \$11,361    | \$15,637    | \$20,939    | \$21,004    | \$22,320    | \$21,023    |
| Black Families <sup>1</sup> | 6,398       | 8,987       | 13,325      | 13,441      | 13,219      | 12,674      |
| White Families              | 11,792      | 16,235      | 21,722      | 21,845      | 23,275      | 21,904      |
| B/W Ratio                   | 54          | 55          | 61          | 62          | 57          | 58          |

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<sup>1</sup> Prior to 1970 black families were not counted separately but were included in the category of "Blacks and Others."

Source: Money Income and Poverty Status of Families and Persons in the United States: 1980. *Current Population Reports*, Consumer Income. Series P-60, No. 127, August 1981.



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